

Blevins, Scott

IN RE: ADAMS GOLF, INC. : CONSOLIDATED
SECURITIES LITIGATION : C.A. NO. 99-371 KAJ

X

Wednesday, May 3, 2006

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11:03:48 1 A There wasn't much to analyze, other
 11:03:51 2 than: Do they have it or not and what's the total
 11:03:54 3 number of pieces. So if that's your definition of
 11:03:57 4 analyzing it, that's what we spoke about.
 11:04:01 5 Q Did you make any effort with Chip
 11:04:06 6 Brewer to take the information provided by the
 11:04:08 7 RACs and fit it into any larger picture at Adams
 11:04:12 8 Golf, as far as inventory or sales or market
 11:04:18 9 share?
 11:04:19 10 A No.
 11:04:19 11 Q Any larger analysis like that?
 11:04:21 12 A No.
 11:04:24 13 Q Okay. Do you know if the information
 11:04:25 14 you provided was subsequently used by Chip Brewer
 11:04:30 15 in any type of analysis like that?
 11:04:45 16 A No.
 11:04:45 17 Q Would it be fair, then, for me to
 11:04:52 18 characterize your activities with the RAC
 11:04:55 19 investigation as mechanical? I mean, not -- I
 11:05:00 20 don't mean any disrespect. I'm saying: You
 11:05:04 21 gathered information and you passed it on.
 11:05:06 22 A We were data gatherers.
 11:05:09 23 Q Okay. You didn't analyze, you didn't
 11:05:12 24 create policy?

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11:05:12 1 A (Witness nods.)
 11:05:14 2 MS. BRANNEN: Can you make an
 11:05:16 3 audible answer?
 11:05:16 4 A No. No, I did not.
 11:05:23 5 Q (By Mr. Mara) During the period of
 11:05:25 6 the investigation by the RACs, what -- how much
 11:05:30 7 time a week were you devoting to it?
 11:05:36 8 A My time?
 11:05:37 9 Q Yeah.
 11:05:38 10 A The best I can recall, an hour or two
 11:05:40 11 a day.
 11:05:45 12 Q Okay. And the time demand on the
 11:05:47 13 RAC, I suppose, would vary week to week, how far
 11:05:50 14 they would have to travel to a Costco?
 11:05:52 15 A Well, it just depended -- not really
 11:05:56 16 that. They were in their route plans already to
 11:05:59 17 see our retailers.
 11:06:00 18 Q Okay.
 11:06:00 19 A So their time demand was simply if
 11:06:02 20 you're at a Pro Golf and there's a Costco across
 11:06:05 21 the street, you'd take a right turn and you'd go
 11:06:08 22 into Costco --
 11:06:09 23 Q Okay.
 11:06:09 24 A -- and try to get the club number.

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11:06:11 1 So they -- I don't know what their specific time
 11:06:13 2 demands would have been. It depends on where they
 11:06:16 3 were traveling.
 11:06:26 4 Q Did the information by the RACs that
 11:06:28 5 they developed, were there particular areas where
 11:06:32 6 there was a greater concentration of clubs in
 11:06:36 7 Costco than other areas, or did you find the
 11:06:38 8 distribution to be fairly even?
 11:06:40 9 MS. BRANNEN: I'm going to
 11:06:41 10 object. That's compound --
 11:06:42 11 Q (By Mr. Mara) Was there --
 11:06:42 12 MS. BRANNEN: -- and
 11:06:44 13 confusing.
 11:06:44 14 Q (By Mr. Mara) Was there a greater
 11:06:45 15 concentration in some areas?
 11:06:49 16 A It seems like that -- I'm just trying
 11:06:52 17 to recall. It seems like the Northwest had more
 11:06:57 18 clubs than any other sector of their stores, and
 11:07:09 19 they had them sooner, it seems like.
 11:07:11 20 Q Was there any sector that your clubs
 11:07:13 21 did not show up in, any -- strike that.
 11:07:16 22 First of all, did you divide
 11:07:19 23 the nation into sectors, as far as -- oh, I guess
 11:07:22 24 it was divided --

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11:07:24 1 A It was already divided by the
 11:07:26 2 territories.
 11:07:26 3 Q Okay. Was there any regional account
 11:07:29 4 where -- sector where clubs did not appear?
 11:07:33 5 A I don't recall. It seems -- it seems
 11:07:34 6 to me like we had a number of stores that we never
 11:07:38 7 found clubs in, but you don't know if they had
 11:07:40 8 them and then they were gone.
 11:07:43 9 Q Right.
 11:07:44 10 A It's hard to tell. You can't say
 11:07:46 11 specifically if they did or did not.
 11:07:48 12 Q Did any of the regional account
 11:07:50 13 coordinators simply ask Costco where they were
 11:07:52 14 getting the clubs?
 11:07:55 15 MS. BRANNEN: Object.
 11:07:56 16 If you know.
 11:07:56 17 A I don't know.
 11:07:59 18 Q (By Mr. Mara) Did you ask them to
 11:08:01 19 ask, to go up to the sales staff and say: Where
 11:08:04 20 are you getting these sales clubs?
 11:08:09 21 A I doubt I did.
 11:08:28 22 Q In addition to those names, are you
 11:08:30 23 able to recall other names? I know it was
 11:08:33 24 several -- well, strike that.